(b) if so, what is the Government's reaction thereto; and

(c) what made the Government to appoint four Directors on the Board of Management of the Company under Section 408 of the Companies Act, 1956?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) Government has received information to the effect that Peerless General Finance and Investment Company Limited have filed a writ petition before ihe Calcutta High Court challenging ihe decision of the Company Law Board to appoint four directors, under Section 408 •of the Companies Act, on the Board of Directors of the company.

(b) Action will be taken as per legal advice.

(c) Government appan ted four direc tors on the Board of Directors of the Company in pursuance of the order pas sed by the Company Law Board.

Withdrawal subsidy under no industry and backward region criteria

2960. SHRI CHATURANAN MISHRA: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that Government have decided to withdraw subsidies under no industry and backward region criteria; and

Cb) if so, what are the details thereof and the reasons therefore?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): (a) and (b) Central Investment Subsidy and Central Infrastructural Assistance under the axis-ting scheme are available till 31-1-1988. The schemes have been reviewed by an Inter-Ministerial Committee and decisions on the report have not yet been taken by the Government,

Salt industry

2961. SHRl NARAYAN KAR; Will the Minister of INDUSTRY be pleased to state:

(a) the quantum of edibie salt produced and distributed srate-wise, during the seventh plan period;

(b) the cost of production, average freight-charges and the 'selling price of salt; and

(c) whether there is any crisis in. this industry?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHA,, LAM); (a) Statements I and II showing State-wise production of salt and distribution of edible salt during 1985, 1986 and 1987 (upto September 30) respectively are annexed. *(See* below).

(b) The cost of production of salt varies from place to place depending on location of work and quality of salt. For instance, in Gujarat it varies from Rs. 35 to Rs. 50 per tonne while in West Bengal it is over Rs. 160 per tonne. The average cost of freight is about Rs. 250 per tonne by rail. The average F.O.R. selling price of salt ex-factory is Rs. 80 per tonne excluding cost of gunny bags.

(c) There is accumulation of salt due to over production in all major salt producing centres on account of prevailing drought conditions. Some of the steps taken by the Government to stimulate domestic and export and export demands to ease salt stocks accumulation are;

(i) New industrial units for production of Soda Ash|Caustic Soda have been licensed. The present units have been advisesd to maximise their production to increase the consumption of salt.

(ii) Fresh assignment of land for salt manufacturing has been kept in abeyance for two years.

(iii) Export of common salt hat been decanalised and brought under OGL.

Statement-I

(Figures in "000 *tonnes)*

SI.No.	Name of the State	Production of Salt during the year		
		1985	1986 *(Upto September)*	1987
1	Gujarat	6281.5	6600.9	6054.7
2	Tamil Nadu	1558 0	1706 5	1269.8
3	Rajasthan	1073 8	917.7	647.3
4	Maharashtra	445.7	384.9	378-4
5	Andhra Pradesh	377.3	7972	36i.2
6	Orissa	86.8	644	51.5
7	Karnataka	28.2	243	261
8	West Bengal	14.5	13.7	10.*1*
9	Himachal Pradesh	40	1.7	
10	Diu & Daman	4.4	39	3.4
11	Pondicherry	0.7	03	0.1
	GRAND TOTAL	9874.9	10115 5	8802.6
	Sait Stock	4744-1	6346.1	9155.1

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Statement-II

(Figures in '000 *tonnes)*

SI. No.	Name of the State	Distribution of Salt during the years			Remarks
		1985	1986	1987 *(Upto Sept.)*	
1	2	3	4	5	6
1	Andhra Pradesh	220.9	240-5	158.6	
2	Andaman & Nicobar		0-1	0.1	
3	Assam	156.6	130 2	95 6	
4	Bihar	503.2	481 0	304.4	
5	Gujarat	290.8	328.1	394.9	
6	Delhi	159.2	102-6	126.0	
7	West Bengal	403-1	425 3	287.3	
8	Goa	13	*14*	0 6	
9	Kerala	150-9	156-7	89.1	

1	2	3	4	5	6
10	Madhya Pradesh	261.5	245.4	152.1	
11	Maharashtra	347.3	311.0	321.5	
12	Tamil Nadu	357.5	423-9	282.8	
13	Karnataka	235.6	195.7	152.9	
14	Orissa	199.6	2082	138.9	
15	Rajasthan	126.6	133.3	99.0	
16	Punjab	15.7	21.7	21.1	
17	Uttar Pradesh	606.4	670.6	438-4	
18	Haryana	27.5	42.3	28-6	
19	Tripura	18.0	16.6	7.8	
20	*Meghalaya*	*99*	*9.0*	*. 3-3*	
21	Mizoram	3.7			
22	Sikkim	3.2	36	23	
23	Pondicherry	0.7	0.5	02	
24	Manipur	60	11.8	4 4	
25	Arunachal Pradesh	46	1.7	2-3	
26	Nagaland	12.1	4.1	4.4	
27	Jammu *Sc* Kashmir	5.7	14.4	89	
28	Chandigarh	15	1.8	36	
29	Himachal Pradesh	7.9	5 0	3.1	
30	Defence	5.8	5.5	6.1	
31	Dadra, Nagar Haveli				
32	Lakshdeep .				
	TOTAL	4142.8	4252.0	3138.3	

Visit by former Chairman-aim Managing Director erf Cycle Corporation *to* Kathmandu

2962. SHRT NARAYAN KAR: Will tbe Minister of INDUSTRY be pieased to state;

(a) whether it is a fact that the then Chairman of Cycle Corporation of India Limited had visited Kathmandu in March, 1984 alongwith a group of persons;

(b) if so, whether the visit was official; and

(c) where the Chairman-cum-Director and his group had stayed during the visit and who paid their bills?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): (a) to (c) According to records available with the company, a dealer has preferred claims for the alleged visit of the then Chairman-cum-Managing Director of Cycle Corporation of Tndia Ltd. alongwith a group